

A special meeting of the Royal Oak City Commission was held on Monday, January 25, 2016, in room 309 of city hall, 211 Williams, Royal Oak. The meeting was called to order by Mayor Ellison at 6:30 p.m. Present were Mayor Ellison, Mayor Pro Tem Fournier, Commissioner Douglas, Commissioner DuBuc, Commissioner Mahrle and Commissioner Poulton. Also present were City Manager Johnson, Interim City Attorney Liss, and City Clerk Halas.

Adjourned to Closed Session

Moved by Commissioner DuBuc
Seconded by Commissioner Fournier

BE IT RESOLVED that the city commission hereby adjourns to closed session for purposes of pending litigation.

ROLL CALL VOTE

AYES: Mayor Pro Tem Fournier, Commissioners Mahrle, Poulton, Douglas, DuBuc and Mayor Ellison

ABSENT: Commissioner Paruch

MOTION ADOPTED

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A regular meeting of the Royal Oak City Commission was held on Monday, January 25, 2016, in the city hall, 211 Williams, Royal Oak. The meeting was called to order by Mayor Ellison at 7:30 p.m.

Commissioner Douglas gave the Invocation. Everyone present gave the pledge of allegiance.

ROLL CALL	PRESENT	ABSENT
Mayor	Ellison	
Mayor Pro Tem	Fournier	
Commissioners	Douglas	Paruch
	DuBuc	
	Mahrle	
	Poulton	

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PUBLIC COMMENT

Mr. Tom Dowell, 3102 Ferris, was opposed to the Main Street diet project. He pointed out the traffic issue on Main Street in Clawson. The traffic backs up during rush hour. It's a bad idea and would discourage visitors.

Mr. Brendan Wehrung, 702 Irving, suggested that any development of an existing parking lot provide 20% more parking spaces than were there now. Has the Rock on Third agreement expired?

Ms. Carol Hennessey, 258 E. 12 Mile Rd, announced that the St. Patrick's Day Parade will be on Saturday, March 12th. They will have a spaghetti dinner fundraiser on Feb. 11th from 5-8 p.m. at the VFW. There will also be a silent auction. For additional information call 248-543-8420.

Ms. Nancy Barnett, 506 N. Troy, spoke about nearly being hit at Woodward and Normandy. After following the woman and approaching her in a parking lot she went to report the incident to the police. The officer at the front desk wouldn't talk to her because he'd already spoken to the other woman. It was wrong that she wasn't allowed to give her side of the story.

Mr. Rick Karlowksi, 419 Virginia, spoke regarding item 10. He opposed exclusive agreements believing they should have competing interests. He also had concerns with item 17.

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APPROVAL OF AGENDA

Item 17 was moved up on the agenda to precede item 10.

Moved by Commissioner DuBuc
Seconded by Commissioner Mahrle

BE IT RESOLVED that the city commission hereby approves the agenda for the January 25, 2016 meeting as amended.

ADOPTED UNANIMOUSLY

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CONSENT AGENDA

Moved by Commissioner Mahrle
Seconded by Commissioner Douglas

BE IT RESOLVED that the city commission hereby approves the consent agenda as follows:

- A. BE IT RESOLVED that the city commission minutes of December 21, 2015, January 9 and 11, 2016 are hereby approved.
- B. BE IT RESOLVED that the claims of January 19 and 22, 2016 audited by the department of finance are hereby approved.
- C. Be it resolved, the city commission approves the following requisitions/purchase orders for fiscal year 2015-16:

Requisition #	R004202
Vendor:	Johnson Sign Co.
Requesting approval for:	\$179,980
Budget:	Requesting budget amendment January 25th
Price Source:	bid by Royal Oak
Department / Fund:	auto parking
Description:	parking structure car counting systems & signage at three parking structures

Requisition #	R004203
Vendor:	Mackay Meters Inc
Requesting approval for:	\$125,730
Budget:	yes
Price Source:	bid by Royal Oak
Department / Fund:	auto parking
Description:	configured pay by space machine, retrofit & parts at Farmers Mkt/Troy Street and 6th/Main lots.

Requisition #	R004204
Vendor:	Traffic & Safety Control Systems
Requesting approval for:	\$262,190

Budget: yes
Price Source: bid by Royal Oak
Department / Fund: auto parking
Description: gate arm & pay to park machine installations at three parking structures.

Requisition # change order
Vendor: CDW Government
Requesting approval for: additional \$35,540 total \$45,070
Budget: yes
Price Source: vendor catalog bid
Department / Fund: IT for fire dept
Description: server backup solution \$34k /the balance for surface pro 4 accessories and three office jet mobile printers.

Requisition # change order
Vendor: Dell Service Sales
Requesting approval for: additional \$3,275 total \$33,465
Budget: yes
Price Source: quote
Department / Fund: IT/ambulance services/public safety
Description: three surface pro 4s with three years of hardware support and accidental damage coverage

- D. Be it resolved, the city commission hereby approves the renewal of the letter of agreement with Counseling Associates for the 2016 calendar year; and

Be it further resolved, the mayor and city clerk are authorized to execute the letter of agreement on behalf of the city.

- E. Be It Resolved, the city commission hereby receives the City of Royal Oak Retirement System's 67th Annual Actuarial (pension) Valuation Report for the year ending June 30, 2015 and receives the retirement board's certification that the city/employer's contributions for fiscal year July 1, 2016 is \$7,009,728.

- F. Be it resolved, that the appointments committee members rotate to Commissioners DuBuc, Douglas and Poulton effective immediately.

ADOPTED UNANIMOUSLY

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**CANTINA DIABLO, 100 S. MAIN
REQUEST TO CHANGE PLAN OF OPERATION**

Moved by Commissioner DuBuc
Seconded by Commissioner Douglas

Be it resolved, the city commission approves the following changes to Royal Oak Good Times Food and Drink, Inc., DBA Cantina Diablo's and Red Fox, at 100 South Main Street, Royal Oak, Michigan plan of operation:

- (1) Decrease the size of its first floor dance floor from 13'X25' to 20'X10',
- (2) Decrease first floor seating from 200 to 196 persons,
- (3) Increase second floor seating from 176 to 178 persons,

- (4) Add an outdoor café with seating for 16 persons,
- (5) Along with its amended plan operation dated December 17, 2015
- (6) Allow the second floor dance floor to be used simultaneously with the first floor dance floor.

AYES: Commissioner Douglas, DuBuc, Mayor Pro Tem Fournier, Commissioner Poulton and Mayor Ellison

NAYS: Commissioner Mahrle

MOTION ADOPTED

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**CANTINA DIABLO, 100 S. MAIN
REQUEST FOR SIDEWALK CAFÉ**

Moved by Commissioner Mahrle
Seconded by Mayor Pro Tem Fournier

Be it resolved, the city commission hereby authorizes the city attorney to prepare a license agreement for Cantina Diablo's at 100 South Main Street permitting an encroachment into the public right-of-way of South Main Street for purposes of an outdoor seating area, provided the petitioner submits a revised café plan for review and approval by the planning division eliminating the second seating area measuring 12 feet 10 ½ inches by 2 feet 4 inches; and

Be it further resolved, the mayor and city clerk are authorized to execute said agreement when prepared.

ADOPTED UNANIMOUSLY

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**SPECIAL EVENT PERMIT
SHAKESPEARE IN THE PARK**

Moved by Commissioner DuBuc
Seconded by Mayor Pro Tem Fournier

Be it resolved, the Mayor and City Clerk are hereby authorized to execute the agreement between the City of Royal Oak and the Water Works Theatre Company, Inc. for Shakespeare in the Park in Royal Oak at Starr Jaycee Park July 15-August 8, 2016; and

Be it further resolved, park pavilion rental fees will be assessed at 50% for the 2016 event; and

Be it finally resolved, Water Works Theatre Company, Inc. will be allowed to sell beer and wine at Starr Jaycee Park to patrons over 21-years-of-age, for one hour only (45 minutes before show time and 15 minutes during intermission), around each of the Shakespeare shows (14 performances), under a temporary state license.

ADOPTED UNANIMOUSLY

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**DISCUSSION OF POLICY FOR SELECTING PREFERRED DEVELOPERS
AND SETTING CRITERIA FOR SELLING CITY-OWNED PROPERTY**

The creation of a policy was briefly discussed. City Manager Johnson was asked to prepare a policy for discussion, possibly at the strategy session.

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600-700 SOUTH MAIN STREET

Moved by Commissioner Mahrle
Seconded by Commissioner DuBuc

Be it resolved, the city commission hereby grants Burton-Katzman's request to be designated the preferred developer of 600 and 700 S. Main for a period of six months; and

Be it further resolved, upon expiration of the six month period (July 25, 2016), Burton-Katzman may approach the city commission for approval of a three month extension to its original request; and

Be it further resolved, city staff shall be prohibited from marketing 600 and 700 S. Main during the initial six month period; and

Be it further resolved, upon expiration of the six month period, this Resolution is rescinded and the City of Royal Oak and Burton-Katzman shall have no obligations to each other with respect to 600 and 700 S. Main unless an extension is granted by the city commission.

ADOPTED UNANIMOUSLY

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REFUND CAPITAL IMPROVEMENT BONDS

Moved by Commissioner Douglas
Seconded by Mayor Pro Tem Fournier

WHEREAS, pursuant to the provisions of Act No. 34, Public Acts of Michigan, 2001, as amended, ("Act 34") the City of Royal Oak, located in Oakland County (the "City") issued its City of Royal Oak Capital Improvement Bonds, Series 2008, dated as of December 23, 2008 (the "2008 Prior Bonds"), in the original principal amount of \$11,825,000 which Prior Bonds were originally issued for the purpose of making improvements within the City; and

WHEREAS, the 2008 Prior Bonds remain outstanding in the aggregate principal amount of \$8,450,000 maturing in various principal amounts on October 1 in the years 2016 through 2028 and bear interest at rates of 5.00% through 6.25%; and

WHEREAS, in addition the City issued its City of Royal Oak Capital Improvement Bonds, Series 2006A, dated as of March 1, 2006 (the "2006A Prior Bonds"), in the original principal amount of \$4,325,000 which 2006A Prior Bonds were originally issued for the purpose of making improvements within the City; and

WHEREAS, the 2006A Prior Bonds remain outstanding in the aggregate principal amount of \$2,795,000 maturing in various principal amounts on May 1 in the years 2016 through 2026 and bear interest at rates of 4.00% through 4.30%; and

WHEREAS, in addition the City issued its City of Royal Oak Capital Improvement Refunding Bonds, Series 2006B, dated as of April 1, 2006 (the "2006B Prior Bonds"), in the original principal amount of \$11,100,000 which 2006B Prior Bonds were originally issued for the purpose of refunding part of the City of Royal Oak Building Authority, Building Authority Bonds, Series 1999 and part of the City of Royal Oak Building Authority, Building Authority Bonds, Series 2001; and

WHEREAS, the 2006B Prior Bonds remain outstanding in the aggregate principal amount of \$8,080,000 maturing in various principal amounts on May 1 in the years 2016 through 2026 and bear interest at rates of 4.125% through 4.375%; and

WHEREAS, hereinafter, the 2008 Prior Bonds, the 2006A Prior Bonds and the 2006B Prior Bonds may be referred to together as (the "Prior Bonds"); and

WHEREAS, pursuant to Act 34 the City is authorized to refund all or any part of its funded indebtedness; and

WHEREAS, the City may call the part of the outstanding 2008 Prior Bonds maturing in the years 2019 through 2022 on October 1, 2018 (the "2008 Prior Bonds to be Refunded"); and

WHEREAS, the City may call the part of the outstanding 2006A Prior Bonds maturing in the years 2017 through 2026 on May 1, 2016 (the "2006A Prior Bonds to be Refunded"); and

WHEREAS, the City may call the part of the outstanding 2006B Prior Bonds maturing in the years 2017 through 2024 on May 1, 2016 (the "2006B Prior Bonds to be Refunded"); and

WHEREAS, the 2008 Prior Bonds to be Refunded, the 2006A Prior Bonds to be Refunded and the 2006B Prior Bonds to be Refunded may hereinafter be referred to together as (the "Prior Bonds to be Refunded"); and

WHEREAS, the City has determined that it is necessary and appropriate at this time to issue a series of refunding bonds pursuant to Act 34 to refund the Prior Bonds to be Refunded.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF ROYAL OAK as follows:

1. Issuance of Refunding Bonds. Refunding bonds of the City aggregating in the principal amount not to exceed Eighteen Million Five Hundred Thousand Dollars (\$18,500,000) (the "Refunding Bonds") shall be issued and sold pursuant to the provisions of Act 34, and other applicable statutory provisions, for the purpose of refunding the Prior Bonds to be Refunded (the "Refunded Bonds").

2. Refunding Bond Details. The Refunding Bonds shall be known as "City of Royal Oak Capital Improvement Refunding Bonds, Series 2016". The Refunding Bonds shall be fully registered Refunding Bonds, both as to principal and interest, in any one or more denominations of \$5,000 or a multiple of \$5,000 numbered from 1 upwards as determined by the City Finance Director, regardless of rate and maturity date. The Bonds will be dated as of the date of delivery, or such other date as determined by the City Manager or Finance Director (each, an "Authorized Officer"), be payable on October 1 (or such other date as determined at the time of sale thereof) in the years and in the annual amounts as determined at the time of sale, and be subject to prior redemption as determined at the time of sale of the Bonds. The Bonds shall bear interest at a rate or rates to be determined upon negotiated sale thereof, payable semi-annually on April 1 and October 1, first payable on such date as determined by an Authorized Officer at the time of sale, provided that the interest rate per annum on the Bonds shall not exceed 4.00%. The Bonds shall be sold at a price not less than 99% or more than 104% of their par value and the underwriter's discount shall not exceed 1.00% of the principal amount of the Bonds. The Bonds may be issued as serial or term bonds or both and may be subject to mandatory redemption prior to maturity as determined at the time of sale.

The Refunding Bonds shall be in substantially the form attached hereto as EXHIBIT A with such changes, additions or deletions as are not inconsistent with this resolution.

3. Prior Redemption. The Bonds shall not be subject to optional redemption prior to maturity. The Refunding Bonds maturing prior to October 1, 2026 shall not be subject to

redemption prior to maturity. Refunding Bonds on or after October 1, 2026 shall be subject to redemption prior to maturity at the option of the City, in any order, in whole or in part on any date on or after October 1, 2025. Refunding Bonds called for redemption shall be redeemed at par, plus accrued interest to the date fixed for redemption.

With respect to partial redemptions, any portion of a refunding bond outstanding in a denomination larger than the minimum authorized denomination may be redeemed provided such portion as well as the amount not being redeemed each constitute an authorized denomination. In the event that less than the entire principal amount of a refunding bond is called for redemption, upon surrender of the Refunding Bond to the bond registrar, the bond registrar shall authenticate and deliver to the registered owner of the Refunding Bond a new refunding bond in the principal amount of the principal portion not redeemed.

Notice of redemption shall be sent to the registered holder of each refunding bond being redeemed by first class mail at least thirty (30) days prior to the date fixed for redemption, which notice shall fix the date of record with respect to the redemption if different than otherwise provided in the resolution authorizing the issuance of the refunding bonds. Any defect in such notice shall not affect the validity of the redemption proceedings. Refunding Bonds so called for redemption shall not bear interest after the redemption date, provided funds are on hand with the bond registrar to redeem the same.

4. Payment of Interest and Date of Record. The Refunding Bonds shall bear interest payable October 1, 2016, and semi-annually thereafter on each April 1 and October 1, until maturity, which interest rate shall not exceed 4.00% per annum. Interest shall be mailed by first class mail to the registered owner of each Refunding Bond as of the applicable date of record.

The date of record shall be March 15 with respect to payments to be made on April 1 and September 15 with respect to payments to be made on October 1.

5. Adjustment In Principal Amount: The aggregate principal amount of this issue has been determined as the amount necessary to retire the Prior Bonds to be Refunded and pay the costs associated with the issuance of the Bonds, assuming certain conditions and events existing on the date of sale. Following receipt of bids and prior to final award, an Authorized Officer reserves the right to increase or decrease the aggregate principal amount of any given maturity. The increase or decrease will be in increments of \$5,000 and may be made in any maturity. The purchase price will be adjusted proportionately to the reduction in issue size, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw the bid as a result of any changes made within these limits.

If no bid results in debt service savings acceptable to the City; the City reserves the right to reject all bids and/or negotiate with one or more of the bidders for the sale of the Bonds.

6. Adjustment of Bond Terms. Each Authorized Officer is hereby authorized to adjust the final Bond details to the extent necessary or convenient to complete the transaction authorized in this Resolution, and in pursuance of the foregoing are each authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, the portion or portions of the Prior Bonds to be refunded and other matters, all subject to the parameters established in this Resolution; provided that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the interest rate per annum on the Bonds shall not exceed four percent per annum (4.00%).

7.(A) Bond Registrar and Paying Agent/Book Entry Depository Trust. The City Finance Director (the "City Finance Director") shall designate, and shall enter into an agreement with, a bond registrar and paying agent for the Refunding Bonds which shall be a bank or trust company located in the State of Michigan which is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The City Finance Director from time to time as required may designate a similarly qualified successor bond registrar and paying agent. If so designated the Refunding Bonds shall be deposited with a depository trustee designated by the City Finance Director who shall transfer ownership of interests in the Refunding Bonds by book entry and who shall issue depository trust receipts or acknowledgments to owners of interests in the Refunding Bonds. Such book entry depository trust arrangement, and the form of depository trust receipts or acknowledgments, shall be as determined by the City Finance Director after consultation with the depository trustee. The City Finance Director is authorized to enter into any depository trust agreement on behalf of the City upon such terms and conditions as the City Finance Director shall deem appropriate and not otherwise prohibited by the terms of this Resolution, which Contract shall be executed by the City Finance Director. The depository trustee may be the same as the Registrar otherwise named by the City Finance Director, and the Refunding Bonds may be transferred in part by depository trust and in part by transfer of physical certificates as the City Finance Director may determine.

(B) Exchange and Transfer of Bonds.

(i) The Refunding Bonds, upon surrender thereof to the bond registrar and paying agent with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney, at the option of the registered owner thereof, may be exchanged for Refunding Bonds of any other authorized denominations of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Refunding Bonds.

(ii) The Refunding Bonds shall be transferable upon the books of the City, which shall be kept for that purpose by the bond registrar and paying agent, only upon surrender of such Refunding Bonds together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney.

(iii) Upon the exchange or transfer of the Refunding Bonds, the bond registrar and paying agent on behalf of the City shall cancel the surrendered Refunding Bonds and shall authenticate and deliver to the transferee new Refunding Bonds of any authorized denomination of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered Refunding Bonds. If, at the time the bond registrar and paying agent authenticates and delivers new Refunding Bonds pursuant to this Section, payment of interest on the Refunding Bonds is in default, the bond registrar and paying agent shall endorse upon the new Refunding Bonds the following: "Payment of interest on this bond is in default. The last date to which interest has been paid is _____, ____."

(iv) The City and the bond registrar and paying agent may deem and treat the person in whose name the Refunding Bonds shall be registered upon the books of the City as the absolute owner of such Refunding Bonds, whether such Refunding Bonds shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Refunding Bonds and for all other purposes, and all payments made to any such registered owner, or upon his or her order, in accordance with the provisions of Section 5 of this Resolution shall be valid and effectual to satisfy and discharge the liability upon such Refunding Bonds to the extent of the sum or sums so paid, and neither the City nor the bond registrar and paying agent shall be affected by any notice to the contrary. The City agrees to indemnify and save the bond registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

(v) For every exchange or transfer of the Refunding Bonds, the City or the bond registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

(vi) The bond registrar and paying agent shall not be required to transfer or exchange the Refunding Bonds or portion of the Refunding Bonds which has been selected for redemption.

8. Mutilated, Lost, Stolen or Destroyed Refunding Bonds. In the event any Refunding Bond is mutilated, lost, stolen, or destroyed, the Mayor and the City Clerk may, on behalf of the City, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new Refunding Bond having a number not then outstanding, of like date, maturity and denomination as mutilated, lost, stolen, or destroyed.

In the case of a mutilated Refunding Bond, a replacement Refunding Bond shall not be delivered unless and until such mutilated Refunding Bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed Refunding Bond, a replacement Refunding Bond shall not be delivered unless and until the City and the Bond Registrar have received such proof of ownership and loss and indemnity as they determine to be sufficient, which shall consist at least of (i) a lost instrument Refunding Bond for principal and interest remaining unpaid on the lost, stolen or destroyed Refunding Bond; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the Refunding Bond lost, stolen or destroyed and the circumstances under which it was lost, stolen or destroyed; (iii) the agreement of the owner of the Refunding Bond (or his or her attorney) to fully indemnify the City and the Bond Registrar against loss due to the lost, stolen or destroyed Refunding Bond and the issuance of any replacement Refunding Bond in connection therewith; and (iv) the agreement of the owner of the Refunding Bond (or his or her attorney) to pay all expenses of the City and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the City.

9. Execution and Delivery. The Mayor and the City Clerk are hereby authorized and directed to execute the Refunding Bonds for and on behalf of the City by manually executing the same or by causing their facsimile signatures to be affixed. If facsimile signatures are used, the Refunding Bonds shall be authenticated by the Bond Registrar before delivery. The Refunding Bonds shall be sealed with the City's seal or a facsimile thereof shall be imprinted thereon. When so executed and (if facsimile signatures are used) authenticated, the Refunding Bonds shall be delivered to the City Finance Director, who is hereby authorized and directed to deliver the Refunding Bonds to the purchaser upon receipt in full of the purchase price for the Refunding Bonds.

10. Amounts Pledged for Repayment - Limited Tax Full Faith and Credit. The City agrees to pay the principal of and premium, if any, and interest on the Refunding Bonds (and on any additional bonds of equal standing which may be issued by the City) from its general fund. The City hereby pledges its full faith and credit for the payment of the Bonds when due and agrees that it will levy each year such ad valorem taxes as shall be necessary for the payment of such Bonds, which taxes, however, will be subject to applicable constitutional and statutory limitations on the taxing power of the City.

11. Bond Payment Fund. The City shall establish and maintain a bond payment fund (the "Bond Payment Fund") to be used solely for the purpose of (i) paying principal of, premium, if any, and interest on the Refunding Bonds as well as costs, including the fees and expenses of the Bond Registrar, incidental to the Refunding Bonds; (ii) the annual fees and expenses of the escrow agent under an escrow agreement; and (iii) the fees and expenses of the paying agent or paying agents for the Refunding Bonds.

12. Use of Proceeds. The proceeds of the sale of the Refunding Bonds shall be used as follows:

a. There shall next be transferred to an escrow fund (the "Escrow Fund") an amount which will be sufficient to pay when due the principal of, premium, if any, and interest on the Refunded Bonds when due upon redemption; and

b. The balance of the proceeds shall be used to pay some or all of the costs of financing including, but not limited to, publication costs, financial costs, placement agent fees, counsel fees, printing costs, application fees and any other fees or costs incurred in connection with the financing.

13. Escrow Agreement; Redemption of Refunded Bonds. In order that the Refunded Bonds may be properly defeased in accordance with Act 34, the City shall enter into an escrow agreement as may be determined by the City Finance Director (the "Escrow Agreement"), with a bank or trust company designated by the City Finance Director. The Escrow Agreement shall be in substantially the form attached as EXHIBIT C to this Resolution (with such changes, modifications and additions as may be approved by the City Finance Director). The Escrow Agreement shall be completed by the City Finance Director with appropriate figures prior to execution on behalf of the City Finance Director.

Upon execution of the Escrow Agreement and delivery of the Refunding Bonds, the City and/or the escrow agent shall take all necessary steps to cause the Refunded Bonds to be redeemed at the earliest possible redemption date or dates.

14. Investments. Moneys in the Bond Payment Fund may be continuously invested and reinvested in United States government obligations, obligations the principal and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the City Finance Director which are permissible investments for surplus funds under Act No. 20, Public Acts of Michigan, 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than the dates moneys in such fund will be required to pay the principal of, premium, if any, and interest on the Refunding Bonds. Obligations purchased as an investment of moneys in the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

15. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Bond Payment Fund shall only be deposited in such banks where the principal of, premium, if any, and interest on the Refunding Bonds are payable. The City Finance Director shall select the depository or depositories to be used from those banks authorized in this Section.

16. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the City covenants that it will not at any time or times:

(a) Permit any proceeds of the Refunding Bonds or any other funds of the City or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Refunding Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Refunding Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Refunding Bond as a "private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Refunding Bonds to be includible in gross income for federal income tax purposes, cause the interest on the Refunding Bonds to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Refunding Bonds to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Refunding Bonds and the interest thereon from the State of Michigan income taxation.

17. Not Qualified Tax-Exempt Obligations. The City has not designated the Refunding Bonds as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code.

18. Defeasance or Redemption of Refunding Bonds. If at any time,

(a) the whole amount of the principal of, premium, if any, and interest on all outstanding Refunding Bonds shall be paid, or

(b) (i) sufficient moneys, or Government Obligations (as defined in this Section) not callable prior to maturity, the principal of, premium, if any, and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of, premium, if any, and interest on all outstanding Refunding Bonds as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of, premium, if any, and interest on such Refunding Bonds as and when due, and (ii) in the case of redemption prior to maturity, all outstanding Refunding Bonds shall have been duly called for redemption (or irrevocable instructions to call such Refunding Bonds for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the City shall be released from all further obligations under this Resolution, and any moneys or other assets then held or pledged pursuant to this Resolution for the purpose of paying the principal of, premium, if any, and interest on the Refunding Bonds (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this Resolution, paid over to the City and considered excess proceeds of the Refunding Bonds. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within 30 days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be given to the registered holders hereof not more than sixty (60) days nor less than forty-five (45) days prior to the redemption setting forth the date or dates, if any, designated for the redemption of the Refunding Bonds, a description of the moneys or Government Obligations so held by it and that the City has been released from its obligations under this Resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of, premium, if any, and interest on the Refunding Bonds at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by resolution of the City, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal, premium, if any, and interest on which are unconditionally guaranteed by, the United States of America.

19. Filing with Municipal Finance Division. If necessary, the Finance Director who is designate the Chief Administrative Officer is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Refunding Bonds or for an exception;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

20. Notice of Sale: The City hereby authorizes its Bond Counsel to publish a Notice of Sale at least seven days prior to the date fixed for receipt of bids for the purchase of the Refunding Bonds. The Notice of Sale shall be in substantially the form attached to this resolution as Exhibit D with such changes therein as are not inconsistent with this resolution and as are approved by the City Finance Director after conferring with Bond Counsel. Once all bids are received, the City Finance Director shall determine the lowest true interest cost bid and thereafter award the Refunding Bonds to the bidder meeting that criteria. The Financial Consultant is hereby designated to act for and on behalf of the City to receive bids for the purchase of the Refunding Bonds and together with Bond Counsel to take all other steps necessary in connection with the sale and delivery thereof.

21. Undertaking to Provide Continuing Disclosure: This Commission, for and on behalf of the City of Royal Oak, hereby covenants and agrees, for the benefit of the beneficial owners of the Refunding Bonds to be issued by the City of Royal Oak for the Project, to enter into a written undertaking (the "Undertaking") required by Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule") to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be substantially in the form to be attached to the official statement. The Undertaking shall be enforceable by the beneficial owners of the Refunding Bonds or by the Underwriter on behalf of such beneficial owners (provided that the Underwriter's right to enforce the provisions of the Undertaking shall be limited to a right to obtain specific enforcement of the City's obligations hereunder and under the Undertaking), and any failure by the City to comply with the provisions of the Undertaking shall not be deemed a default with respect to the Refunding Bonds.

The Mayor, the City Finance Director, City Clerk and/or other officer of the City charged with the responsibility for issuing the Refunding Bonds shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the terms of the City's Undertaking.

22. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the City in connection with the issuance, sale and delivery of the Refunding Bonds.

23. Retention of Financial Consultant. Hutchinson, Shockey, Erley & Co., St. Clair Shores, Michigan, is hereby retained to act as Financial Consultant to the City in connection with the sale and delivery of the Refunding Bonds.

24. Conflicting Resolutions. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

25. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in the minutes of the City Commission of the City as soon as practicable after adoption.

ROLL CALL VOTE

AYES: Commissioners Douglas, DuBuc, Mayor Ellison, Mayor Pro Tem Fournier, Commissioners Poulton and Mahrle

NAYS: None

ADOPTED UNANIMOUSLY

* * * * *

REZONE 4727 CROOKS RD AND 1719 W. 14 MILE RD, FIRST READING

Moved by Commissioner Douglas
Seconded by Commissioner DuBuc

Whereas, the planning commission held a public hearing on January 12, 2016, and recommended denial of a proposed amendment to the zoning map for the purpose of rezoning 1719 West 14 Mile Road (parcel no. 25-05-229-001) and 4727 Crooks Road (parcel no. 25-05-229-002) from mixed use 2 to general business; and

Whereas, the city commission has determined that the proposed amendment to the zoning map is not consistent with the goals and objectives of the master plan and has received the record of public comments taken at the public hearing held at the planning commission meeting of January 12, 2016.

Therefore, be it resolved, the request to rezone 1719 West 14 Mile Road (parcel no. 25-05-229-001) and 4727 Crooks Road (parcel no. 25-05-229-002) from mixed use 2 to general business, is denied based upon the following:

- A. The general business zone is not consistent with the goals, policies, and future land use map of the master plan.
- B. The site's physical features are not compatible with the host of principal permitted and special land uses in the general business zone.
- C. There is no evidence documenting that the petitioner cannot receive a reasonable return on investment through developing the property with one or more of the principal permitted and special land uses under the current mixed use 2 zoning.
- D. The potential uses allowed in the general business zone are not compatible with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic volumes, aesthetics, infrastructure, and potential influence on property values.
- E. The street system is not capable of safely and efficiently accommodating expected traffic volumes generated by potential uses in the requested general business zone.

ADOPTED UNANIMOUSLY

* * * * *

**PROFESSIONAL PLANNING AND LEGAL SERVICES
AMENDING THE SIGN ORDINANCE**

Moved by Commissioner Mahrle
Seconded by Commissioner Douglas

Be it resolved, the mayor and city clerk are authorized to execute a professional planning and legal services contract with Johnson, Rosati, Schultz, & Joppich, PC to provide professional planning and legal services for amending the city's sign ordinance as outlined in the request-for-proposals dated November 16, 2015 (RFP-SBP-RO-16-016), and directs staff to issue a purchase order in the amount of \$ 7,500.00.

ADOPTED UNANIMOUSLY

* * * * *

**PROFESSIONAL PLANNING AND ENGINEERING SERVICES
MAIN STREET ROAD DIET PILOT PROJECT**

Moved by Mayor Pro Tem Fournier
Seconded by Commissioner Mahrle

Be it resolved, the mayor and city clerk are authorized to execute a professional engineering and planning services contract with Wade-Trim Associates to prepare plans and specifications for a temporary road diet along Main Street as outlined in the request-for-proposals dated November 16, 2015 (RFP-SBP-RO-16-017), and directs staff to issue a purchase order in the amount of \$7,104.00.

ADOPTED UNANIMOUSLY

* * * * *

ASSESSING REVIEW §17 ORDINANCE AMENDMENTS, FIRST READING

Moved by Commissioner Poulton
Seconded by Commissioner Mahrle

Be it resolved, the City Commission hereby approves the 2016 amendments to the City of Royal Oak Assessment Review Ordinance (Exhibit A) on First Reading.

ADOPTED UNANIMOUSLY

* * * * *

**SPECIAL MEETING TO CONTINUE
THE 2016 STRATEGIC PLANNING SESSION**

Moved by Commissioner Mahrle
Seconded by Commissioner DuBuc

Be It Resolved, a special meeting of the Royal Oak City Commission is called for February 1, 2016 starting at 6:00 p.m. for the purpose of continuing strategic planning session discussions and preparing draft goals and objectives for review and input by city staff. This meeting will be held at room 309 of city hall.

ADOPTED UNANIMOUSLY

* * * * *

Upon motion of Mayor Pro Tem Fournier, seconded by Commissioner Mahrle, and adopted unanimously, the regular meeting was adjourned at 9:37 p.m.

Melanie Halas, City Clerk

The foregoing minutes of the regular meeting held on January 25, 2016, having been officially approved by the city commission on Monday, February 22, 2016, are hereby signed this twenty-second day of February 2016.

James B. Ellison, Mayor

Exhibit A

ORDINANCE 2016-01

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF ROYAL OAK TO CORRECT THE DATE OF TAX DAY (§17-1); TO CLARIFY LANGUAGE CONCERNING COMPLETION OF THE ASSESSMENT ROLL (§17-2); TO CLARIFY THE MEETINGS OF THE BOARD OF REVIEW AND ADD LANGUAGE TO THE REVIEW OF ASSESSMENTS BY THE BOARD OF REVIEW REGARDING AGENT REPRESENTATION OF TAXPAYERS AND LIMITED LIABILITY COMPANIES (§17-3)

THE CITY OF ROYAL OAK ORDAINS:

SECTION 1. SHORT TITLE. This Ordinance shall be known as and may be cited as the "2016 Amendment to the City of Royal Oak Assessment Review Ordinance."

SECTION 2. STATEMENT OF PURPOSE. This is an ordinance to amend the City Code at Chapter 17, "Assessment Review" to correct the date of tax day (§17-1); to eliminate antiquated language (§17-2); to eliminate antiquated language and clarify language regarding meetings of the Board of Review (§17-3); to add language specifying requirements of agent representation of taxpayers and limited liability companies before the Board of Review (§17-3); and to eliminate antiquated language (§17-4).

SECTION 3. AMENDMENT AT SECTION 17-1. The Royal Oak City Code, Chapter 17 "Assessment Review", is hereby amended at Section 17-1, "Tax Day", which shall now read as follows:

§17-1. Tax Day

December 31st of each year shall be the tax day in the City of Royal Oak, Michigan. The taxable status of persons and real and personal property shall be determined as of the tax day.

SECTION 4. AMENDMENT AT SECTION 17. ASSESSMENT REVIEW. The Royal Oak City Code, Chapter 17 "Assessment Review", is hereby amended at Section 17-2, "Completion of assessment roll", which shall now read as follows:

§17-2. Completion of assessment roll.

The City Assessor shall, on or before the first Monday in March in each year, make and complete an assessment roll.

SECTION 5. AMENDMENT AT SECTION 17. The Royal Oak City Code, Chapter 17 "Assessment Review", is hereby amended at Section 17-3, "Review of assessments by Board of Review", which shall now read as follows:

§17-3. Review of assessments by Board of Review.

The Board of Review shall meet, as required by law, to examine, review and correct the assessment roll, at the Royal Oak City Hall at 9:00 a.m. on the Tuesday immediately following the first Monday in March and shall continue in session as long as may be necessary to complete the review. The Board shall meet for a period of at least six hours in each day during said review and shall hold at least two evening sessions of not less than two hours each during said review. The review of assessments shall be completed not later than the Wednesday following the first Monday in April. The City Clerk shall give public notice in a newspaper of general circulation in the City of Royal Oak of the date, time and place of the meeting of the Board of Review at least one week prior to the time of the meeting.

Any agent representing a taxpayer shall present a written letter of authorization to the Board of Review at the time of his/her appointment. The letter of authorization shall state that the representative is allowed to appear before the City of Royal Oak Board of Review. Each individual letter of authorization shall also include: 1) a single parcel identification number; 2) the name of the authorized agent; 3) an original signature of the authorizing person; 4) the date of the signature. A property owner or agent representing the taxpayer must provide articles of organization for a limited liability company to prove ownership.

SECTION 6. AMENDMENT AT SECTION 17. The Royal Oak City Code, Chapter 17 "Assessment Review", is hereby amended at Section 17-4, "Statutory authority", which shall now read as follows:

§17-4. Statutory authority.

This chapter is adopted pursuant to the provisions of the General Property Tax Act which authorizes such changes in the making, completing and reviewing of the assessment roll as herein made, any provisions of the City Charter to the contrary notwithstanding.

SECTION 7. SEVERABILITY. If any section, subsection, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent portion of this ordinance, and such holding shall not affect the validity of the remaining portions of this ordinance.

SECTION 8. SAVINGS. All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this ordinance takes effect are saved and may be consummated according to the law in force when they are commenced.

SECTION 9. REPEALER. All ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent necessary to give this ordinance full force and effect.

SECTION 10. EFFECTIVE DATE. This ordinance shall take effect ten (10) days after the final passage thereof.